

THE AURELIUS CHARITABLE TRUST

REGISTERED CHARITY NO. 271333

**TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 5 APRIL 2017

THE AURELIUS CHARITABLE TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 5 April 2017

INDEX

	PAGE
Report of the Trustees	2 - 4
Independent Examiner's report	5
Statement of financial activities	6
Balance sheet	7
Summary income and expenditure account	8
Capital fund and Investment summary	9
Management expenses	10
Donations paid and committed	11
Accounting policies	12

THE AURELIUS CHARITABLE TRUST

REGISTERED CHARITY NO. 271333

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2017

Administrative information, governance and management

Trustees	Mr P E Haynes FCA Mr W J Wallis BA FCA
Honorary Secretary	Mr W J Wallis, 5 Harestone Drive, Caterham, Surrey CR3 6HX
Board of Advisors	Prof. C C Dyer CBE, BA, PhD, FBA, FSA, FRHS Dr R Jackson BA, PhD Mr Peter Draper MA, FSA
Independent Examiner	Mrs C E Braidwood, FCA Braidwood Wheeler and Co, Chartered Certified Accountants Goodman House, 13a West Street, Reigate, Surrey, RH2 9BL
Investment Managers	Investec Wealth & Investment Limited, 2 Gresham Street, London, EC2V 7QN
Bankers	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Telephone	Trustees: 01737 842186 / 01883 347763
Email:	philip.haynes@tiscali.co.uk

The Trust is a registered charity operating in accordance with a Trust Deed dated 22 December 1975, under which the late Dr M F B Fitch established a Trust Fund. The trustees hold this Fund, both capital and income, for such exclusively charitable purposes as they may determine. The Trust Deed provided specifically for a power of accumulation, so as to add to the Capital of the Fund, for a period of 21 years from the date of its execution. This period ended on 21 December 1996.

Following the Settlor's death, the Trustees have the power to appoint new and additional Trustees. The Trustees also appoint Advisors from time to time to provide informed comment on applications for donations.

The Trustees are required under the Trust Deed and the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust, and of its income and expenditure for that year.

In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently; and
- make reasonable and prudent judgements and estimates.

The Trustees are also responsible for:

- keeping proper accounting records;
- safeguarding the Trust's assets; and
- taking reasonable steps for the prevention and detection of fraud.

THE AURELIUS CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2017

(continued)

The Trustees have reviewed the risks that the charity might face and are satisfied that appropriate and effective procedures are in place to minimise any potential impact should any of those risks materialise. The Trustees regularly review the position. The principal risks concern investment performance and the Trust's ability to continue to meet its objectives.

The Capital Fund represents a permanent endowment to which no further additions are expected and is represented by Stock Exchange investments which the Trustees expect to increase in value so as to more than match changes in real purchasing power and inflation in the long term whilst providing sufficient income to enable the Trustees to make those grants and donations they agree upon and which fall within the Trust's objectives.

The Trust has no income other than the dividends and interest derived from its invested capital and deposited funds. The Trust Deed imposes no restrictions on the nature of investments in which the funds of the Trust may be invested.

Objectives, and activities for the public benefit

During the Settlor's lifetime, the income of the Fund was distributed broadly to reflect his interests in the conservation of culture inherited from the past and the dissemination of knowledge, particularly in the humanities field. Since the Settlor's death in April 1994, the Trustees have continued to support these interests and it is their present intention to continue with this policy.

Applications for donations are received by the Trustees or put forward by the Advisors. The Trustees apply their discretion, with informed comment from their Advisors, as to which should be supported, generally in respect of specific projects. General administrative and/or operational costs are not felt to fall within these objectives and donations are only made to recognised charitable organisations. The Trustees have complied with the requirement to have due regard to public benefit guidance published by the Charity Commission but believe that all recipient charitable organisations meet the appropriate *public benefit* test. No donations are made to individuals.

The Trustees meet twice a year with the Advisors in order to identify and discuss the merits of a variety of projects which broadly accord with the objectives referred to above, donations being made as and when appropriate.

Achievements and performance

Total donations approved during the past ten years have been as follows:

	£
2007/08	81,050
2008/09	81,220
2009/10	88,562
2010/11	53,520
2011/12	57,031
2012/13	73,312
2013/14	75,500
2014/15	100,546
2015/16	89,722
2016/17	81,247

Details of donations made during the year are set out on page 11.

THE AURELIUS CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2017

(continued)

Investec Wealth & Investment Limited has been appointed by the trustees to manage the investment portfolio and an Investment Management Agreement has been agreed with them. Outline details are shown on page 9 setting out a broad analysis of the portfolio and its performance over the year. Portfolio management fees continue to be charged to the capital fund.

Performance is considered on a medium/long term basis in view of the endowed nature of the investment portfolio, quarterly reports are received and meetings with the fund managers held when considered necessary to review performance and the Trust's future requirements.

The Trust Deed sets no restrictions on the investments which may be made and, after due consideration of all relevant issues, the Trustees have decided not to place any restrictions on the investments which may be made by the fund managers within the Discretionary Agreement entered into.

Financial Review and Reserves Policy

The financial statements for the year ended 5 April 2017 are set out on pages 6 to 12. As indicated in the Accounting Policies on page 12, the financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities ("Charities SORP (FRS 102)").

The main items in the Income Account, set out on page 8, are as follows:

	2016/2017 £'000	2015/2016 £'000
Investment income	86	86
Management expenses	(7)	(6)
Donations paid or committed	(81)	(90)
(Deficit)/Surplus carried to Income Fund	(2)	(10)

Investment income remained broadly constant during the year, reflecting the investment decisions made by the portfolio managers following the remodelling of the portfolio in a previous year. Donations made were reduced as compared to previous years, but broadly reflected investment income but this still left a small deficit to deduct from the balance brought forward on Income Account.

The Trustees' believe that the structure of the portfolio will continue to deliver an acceptable level of income, enabling them to respond positively to the requests for relevant donations they receive whilst allowing the value of the underlying investments gradually to increase in value at least in line with general inflation.

Taking one year with another, the Trustees expect to distribute net income arising, after management expenses, whilst retaining sufficient funds to meet any non-binding indicative support they may have given. Provision is made in the financial statements for any binding commitments made in respect of donations to be paid in subsequent years.

P E Haynes..... P E Haynes

W J Wallis..... W J Wallis

Trustees

28 June 2017

THE AURELIUS CHARITABLE TRUST

Independent examiner's report to the trustees of The Aurelius Charitable Trust

I report on the accounts of the Trust for the year ended 5 April 2017, which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is not essential. They have decided, however, that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the 2011 Act and to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mrs C E Braidwood FCA

Braidwood Wheeler and Co
Chartered Certified Accountants

Goodman House
13a West Street
Reigate
Surrey
RH2 9BL

28 June 2017

THE AURELIUS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 5 April 2017

	Page	Accumulated Income Fund £	Endowed Capital Fund £	Total Funds 2017 £	Total Funds 2016 £
Income from					
Investments		86,136		86,136	86,266
Bank and deposit interest		130		130	134
Total Income	8	86,266		86,266	86,400
Expenditure on					
Raising funds	8	833	15,733	16,566	15,799
Charitable donations	11	81,247		81,247	89,722
Management expenses	9	6,052		6,052	5,813
Total expenditure		88,132	15,733	103,865	111 334
Net gains (losses) on investments			14,745	14,745	(44,849)
Net Income (Expenditure) for the year		(1,866)	(988)	(2,854)	(69,783)
Gains (losses) on revaluation of investments	9		330,461	330,461	(150,175)
Net Movement in Funds		(1,866)	329,473	327,607	(219,958)
Reconciliation of funds					
Fund balances brought forward		19,551	2,171,126	2,190,677	2,410,635
Fund balances carried forward		17,685	2,500,599	2,518,284	2,190,677

THE AURELIUS CHARITABLE TRUST

BALANCE SHEET

as at 5 April 2017

	Page	£	2017 £	£	2016 £
Investment assets:					
Investments at market value	9		2,441,260		2,104,327
Investec Wealth & Investment – Cash held on investment account	9		47,659		54,463
<i>Total fixed assets</i>			2,488,919		2,158,790
Current assets:					
Debtors:					
Dividends & interest receivable		20,500		20,546	
Bank balances		19,823		20,680	
<i>Total current assets</i>		40,323		41,226	
Liabilities:					
Accrued expenses		10,958		9,339	
<i>Net current assets</i>			29,365		31,887
Total net assets			2,518,284		2,190,677
The Funds of the charity:					
Endowed Capital Fund	9		2,500,599		2,171,126
Accumulated Income Fund	8		17,685		19,551
Total Charity Funds	6		2,518,284		2,190,677

These accounts were approved and signed by the Trustees on 28th June 2017

P E Haynes

W J Wallis

THE AURELIUS CHARITABLE TRUST

ACCUMULATED INCOME FUND

for the year ended 5 April 2017

	Page	2017 £	2016 £
Investment income and interest	6	86,266	86,400
Direct charitable expenditure			
Donations paid and committed	11	81,247	89,722
Management expenses	10	833	613
		82,080	90,335
Other expenditure			
Accountancy and review fees	10	6,052	5,813
Expenditure on Income Account		88,132	96,148
 (Deficit)/Surplus for the year		 (1,866)	 (9,748)
 Opening balance		 19,551	 29,299
Closing balance		17,685	19,551
 Represented by:			
Cash at bank		4,160	4,605
Debtors		20,500	20,546
Creditors		(6,975)	(5,600)
		17,685	19,551

THE AURELIUS CHARITABLE TRUST

ENDOWED CAPITAL FUND

for the year ended 5 April 2017

	Page	2017 £	2016 £
Opening balance		2,171,126	2,381,336
Realised gains/(losses) on sales of portfolio investments		14,745	(44,849)
Unrealised gains/(losses) on portfolio investments		330,461	(150,175)
		2,516,332	2,186,312
Less:			
Investment management expenses		15,733	15,186
Closing balance	7	2,500,599	2,171,126
Represented by:			
Investment Portfolio	7	2,488,919	2,158,790
Creditors		(3,983)	(3,739)
Cash at bank		15,663	16,075
		2,500,599	2,171,126

INVESTMENT PORTFOLIO SUMMARY as at ended 5 April 2017

Structure of Portfolio	Agreed Ranges	Agreed Benchmarks	5 April 2017 £	5 April 2016 £
Fixed Interest Stocks & Funds	10-25%	16%	255,325	236,475
UK Equities & Funds	50-70%	60%	1,470,010	1,251,814
International Equities & Funds	5-15%	10%	310,856	239,551
Infrastructure & Property Funds	5-23%	14%	405,069	376,487
			2,441,260	2,104,327
Cash and money market instruments	0-10%	0%	47,659	54,463
Total			2,488,919	2,158,790
Historical Cost of Investments			2,112,197	2,082,271

The above ranges and benchmark were agreed with Investec Wealth & Investment to apply from 6 April 2015.

THE AURELIUS CHARITABLE TRUST

MANAGEMENT EXPENSES

for the year ended 5 April 2017

	Page	2017 £	2016 £
Management expenses chargeable to income			
Philip Haynes FCA (a trustee) Accountancy and advisory services		5,452	5,214
Independent Examination Fee		600	600
Grant management expenses including bank charges		833	613
	8	6,885	6,427
 Management expenses chargeable to capital			
Investment Management fees		15,733	15,186
	9	15,733	15,186
 Total management expenses		22,618	21,613

THE AURELIUS CHARITABLE TRUST

DONATIONS PAID & COMMITTED

for the year ended 5 April 2017

PAID:	2016/17 £
Cumbria Family History Society – re <i>acquisition of historic Cumbrian documents</i>	5,000
The British Academy – re <i>100 years of Honorary Fellowship commission</i>	5,000
The Dugdale Society – re <i>publication of Volume 50 on Birmingham Wills</i>	1,500
Caldecote Church Friends – re <i>repairs and refurbishment of windows, benches, etc</i>	1,250
Chetham's School of Music – re <i>conservation of Hogarth prints & engravings</i>	2,700
All Saints Church PCC, Weston, Esher – re <i>conservation of archives</i>	400
National Museum Wales – re <i>construction of replica of Mold Cape</i>	3,000
York Archaeological Trust – re <i>JORVIK Museum artefact conservation & display</i>	5,000
East Grinstead Museum – re <i>enhancement of IT capability for conservation, etc</i>	4,000
Pusey House Library & Archive, Oxford – re <i>conservation survey project</i>	2,000
King's College, London – re <i>restoration of Georgian Courtyard at Guy's Hospital</i>	5,000
Winchester Cathedral Trust – re <i>conservation of the Winchester Bible</i>	4,000
The College of Arms – re <i>conservation of Herald's Visitation of Cornwall 1620</i>	4,800
The London Library – re <i>Back Stacks Rebinding Project</i>	4,000
The Abbotsford Trust – re <i>Stone Roundel from Edinburgh's Old Mercat Cross</i>	1,000
Lincoln Cathedral – re <i>conservation of Medieval Lancet Windows</i>	6,500
St Barbe Museum & Art Gallery – re <i>acquisition and display of the Boldre Hoard</i>	2,000
Victoria & Albert Museum – re <i>conservation of plaster cast in Cast Courts</i>	3,100
Ushaw College, Durham – re <i>conservation of Pugin Altarpiece in the Sacred Heart Chapel</i>	5,000
Westminster Abbey – re <i>conservation and preservation of Seal Bags & Ribbons</i>	4,447
University of Manchester – re <i>'Safeguarding the Rylands Greek Papyri' project</i>	5,000
Gainsborough's House, Sudbury – re <i>conservation of significant works on paper</i>	2,500
Marx Memorial Library – re <i>conservation of Dorset County Chronicle and Somersetshire Gazette documenting the arrest & trial of the Tolpuddle Martyrs</i>	2,000
Suffolk Building Preservation Trust – re <i>UV window filters Little Hall, Lavenham</i>	700
Nantwich Museum Trust Ltd – re <i>assessment of paintings for conservation</i>	350
	<u>£80,247</u>
COMMITTED:	
Northumbria University – re <i>specialist equipment for Conservation of Fine Art Department</i>	<u>£1,000</u>

THE AURELIUS CHARITABLE TRUST

ACCOUNTING POLICIES

for the year ended 5 April 2017

- 1 The charity is a public benefit entity.
- 2 The accounts have been prepared in accordance with The Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)).
- 3 Income from the investment portfolio is accounted for by reference to the payment date of dividends and interest falling due for payment within the accounting period.
- 4 Interest on bank accounts and cash held within the investment portfolios is accounted for on a receipts basis, interest being credited on a quarterly basis.
- 5 All dividend income is accounted for exclusive of the non-repayable tax credit. Interest on fixed interest securities is accounted for gross. Dividends declared on accumulation shares are added to the cost of investment.
- 6 The portfolio of investments is shown at market value, with unrealised surpluses or deficits being disclosed in the Statement of Financial Activities. Realised surpluses and deficits are also shown in the Statement of Financial Activities. All investment surpluses and deficits are credited to the Capital Fund. Interest accrued on fixed interest securities at the valuation date is not included in the financial statements
- 7 Investment portfolio management fees are charged to the Capital Fund together with other professional fees relating to the investment portfolio.
- 8 Expenses incurred are reimbursed to trustees. Professional fees payable to one trustee are disclosed on page 10.
- 9 The Trust does not meet the definition of a 'larger charity' as set out in the Charities SORP (FRS 102) so is not required to prepare a Cash Flow Statement.